

PUBLIC AND INDIAN HOUSING
 LOW-RENT PUBLIC HOUSING ASSISTANCE
 2005 Summary Statement and Initiatives
 (Dollars in Thousands)

LOW-RENT PUBLIC HOUSING ASSISTANCE TO PHAS	<u>Enacted/ Request</u>	<u>Carryover</u>	<u>Supplemental/ Rescission</u>	<u>Total Resources</u>	<u>Obligations</u>	<u>Outlays</u>
2003 Appropriation	\$25,000	-\$1,695 ^a	...	\$23,305	\$3,136	\$11,000
2004 Appropriation/Request	30,000	20,168 ^a	...	50,168	30,000	30,240
2005 Request	<u>30,000</u>	<u>20,168^a</u>	<u>...</u>	<u>50,168</u>	<u>30,000</u>	<u>30,240</u>
Program Improvements/Offsets .....	...	...	...	...	...	...

a/ Reflects the net result of carryover, offsetting collections, and the repayment of debt to the Federal Financing Bank (FFB).

Summary Statement

The fiscal year 2005 Budget assumes that \$30 million of permanent indefinite authority will be used to provide funding for remaining Public Housing development and modernization activities in the pipeline that were reserved under the "Annual Contributions for Assisted Housing" (ACAH) appropriations through 1986. No discretionary appropriation is required. The budget authority and outlay estimates for fiscal year 2005 are projected to be the same level as fiscal year 2004 levels because past experiences show that the expected acceleration of loan draw-downs for pipeline projects have not materialized. For fiscal year 2005, mandatory budget authority is estimated at \$30 million, which is the same level as fiscal year 2004. Outlays are projected at \$30.2 million. Direct loan obligations to PHAs/IHAs and loan write-offs also are affected by the slower activity and are estimated to remain at \$30 million in fiscal year 2005.

Initiatives

This is a liquidating account. Therefore, there are no initiatives proposed for fiscal year 2005.

Low-Rent Public Housing Assistance

PUBLIC AND INDIAN HOUSING
 LOW-RENT PUBLIC HOUSING ASSISTANCE
 Summary of Resources by Program
 (Dollars in Thousands)

<u>Budget Activity</u>	<u>2003 Budget Authority</u>	<u>2002 Carryover Into 2003</u>	<u>2003 Total Resources</u>	<u>2003 Obligations</u>	<u>2004 Budget Authority/ Request</u>	<u>2003 Carryover Into 2004</u>	<u>2004 Total Resources</u>	<u>2005 Request</u>
Low-Rent Public Housing Assistance (mandatory)	\$25,000	-\$1,695	\$23,305	\$3,136	\$30,000	\$20,168	\$50,168	\$30,000
Total Low-Rent Public Housing Assistance								
To PHAs	25,000	-1,695	23,305	3,136	30,000	20,168	50,168	30,000
FTE								
Headquarters .....			...				...	...
Field .....			...				...	...
Total .....			...				...	...

Low-Rent Public Housing Assistance

**PUBLIC AND INDIAN HOUSING
LOW-RENT PUBLIC HOUSING ASSISTANCE
Program Offsets
(Dollars in Thousands)**

Low-Rent Public Housing Assistance (mandatory)	<u>Amount</u>
2003 Appropriation	\$25,000
2004 Appropriation/Request	30,000
2005 Request	<u>30,000</u>
Program Improvements/Offsets .....	...

Proposed Actions

The Department proposes \$30 million of mandatory budget authority for the Low-Rent Public Housing Assistance Fund program for fiscal year 2005. This program has not received new appropriation since fiscal year 1986. The program is now in a liquidating status with permanent indefinite borrowing authority and is classified as mandatory. The Department borrows from Treasury each year to close pipeline loan commitments. Once the commitment is closed, both the Department and the Treasury forgive the loan.

The program was established for three reasons. First, the program was to provide direct Federal loans (capital funds) to support the completion of Public and Indian Housing construction, acquisition, and modernization activities. Second, the Fund was also used as a repository of appropriations provided in prior years to make interest differential payments to the Federal Financing Bank (FFB). Budget authority was obligated in the Loan Fund to provide payments to the FFB to fund the difference in interest payments between what would have been charged if tax-exempt bonds had been sold to the public and the interest that actually was charged when instruments were sold to the FFB at a Federally taxable interest rate. A third purpose of the account, as a Corporate Fund, was closed during the first quarter of 1997 pursuant to Section 507 of the Congressional Budget Act of 1974.

Low-Rent Public Housing Assistance

PUBLIC AND INDIAN HOUSING
LOW-RENT PUBLIC HOUSING ASSISTANCE
Justification of Proposed Changes in Appropriations Language

This account has not received new appropriations since fiscal year 1986. The account is now in liquidating status with permanent indefinite borrowing authority and is classified as mandatory. Therefore, there is proposed changes in Appropriations Language for this account.

Explanation of Changes

Low-Rent Public Housing Assistance

PUBLIC AND INDIAN HOUSING
 LOW-RENT PUBLIC HOUSING ASSISTANCE
 Crosswalk of 2003 Availability
 (Dollars in Thousands)

<u>Budget Authority</u>	<u>2003 Enacted</u>	<u>Supplemental/ Rescission</u>	<u>Approved Reprogrammings</u>	<u>Transfers</u>	<u>Carryover</u>	<u>Total 2003 Resources</u>
Low-Rent Public Housing Assistance (mandatory)	\$25,000	...	...	...	-\$1,695	\$23,305
Total	25,000	...	...	...	-1,695	23,305
<u>Transfers to Other Accounts</u>						

Low-Rent Public Housing Assistance

PUBLIC AND INDIAN HOUSING
 LOW-RENT PUBLIC HOUSING ASSISTANCE
 Crosswalk of 2004 Changes
 (Dollars in Thousands)

<u>Budget Authority</u>	<u>2004 President's Budget Request</u>	<u>Congressional Appropriations Action on 2004 Request</u>	<u>2004 Supplemental/ Rescission</u>	<u>Reprogrammings</u>	<u>Carryover</u>	<u>Total 2004 Resources</u>
Low-Rent Public Housing Assistance (mandatory)	<u>\$30,000</u>	<u>\$30,000</u>	<u>...</u>	<u>...</u>	<u>\$20,168</u>	<u>\$50,168</u>
Total Changes	30,000	30,000	...	...	20,168	50,168

NOTES